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Sen. Kuipers' business fee reduction bill heads to governor

LANSING – Legislation that reduces fees on businesses selling stock won approval from the Senate on Wednesday and now goes to the governor's desk, said Sen. Wayne Kuipers, R-Holland.

Kuipers' legislation exempts high-technology businesses from fees charged under Michigan law when the business incorporates and authorizes the sale of stock, or when the business increases the number of shares. The state charges companies based solely on the number of authorized shares, which creates a disincentive to raise capital, grow the business and create jobs.

"To foster a more competitive business climate in Michigan, we have to make sure our state better attracts entrepreneurs and investment," Kuipers said. "I strongly urge the governor to sign Senate Bill 298 because future Michigan job growth likely will come from small businesses and especially high-technology firms."

Kuipers sponsored the bill after hearing from constituent and LeanLogistics CEO Craig Hall, who brought attention to the issue and was instrumental in creating the legislation. Hall testified before a Senate committee that reviewed Kuipers' bill.

While Michigan has made major investments in life sciences and high-tech infrastructure during the past four years, the state is not truly reaping the economic benefits of that investment. A 2004 study ranked Michigan 37th in the nation in risk capital and infrastructure, just above states like Wyoming, Kansas, Iowa and Montana, whose economies rely heavily on natural resources.

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